

BOS Agenda
Consent
10-22-07

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Acton Community Housing Corporation

Nancy Tavernier, Chairman

TOWN OF ACTON

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TO: Board of Selectmen
FROM: Nancy Tavernier, Chair, ACHC
SUBJECT: Request for housing gift funds
DATE: October 15, 2007

The ACHC has voted to request the use of \$150,000 from the Robbins Mill/Pulte Affordable Housing Gift Fund, which is held by the Town and controlled by the Selectmen. In 2002, ACHC met with Robbins Mill developer Charlie Dexter in regard to his proposed 90-unit development off Carlisle Rd. Dexter expressed an interest in making a financial contribution to the furthering of affordable housing. The Planning Board approved his special permit with the condition that Dexter contribute \$400,000 to the Town to provide for 2 units of affordable housing off site. When the construction began in 2005, the new developer (Pulte) honored the commitment and donated the funds to the Town. They have not been used to date, this is the first request from ACHC.

The requested use for the funds is to transfer a payment to the Town to cover the cost of the sewer privilege fee for the proposed 17 rental units at the Towne Building development. This fee has been calculated by Doug Halley to be \$148,353.84. The privilege fee is based on \$12,311.52 per unit (a unit being three Bedrooms). Two bedroom units or less would be .67 * \$12,311.52 or \$8,248.72. The proposed development unit count is for two 3-BR units and fifteen studio, 1-BR, and 2-BR units. A minimum of 40% of the units will be affordable and because it is a rental 40B, 100% of the units will count toward the Town's 10%. The payment from the gift fund would go to the Town once all the permitting and funding is in place for the development and it is ready to proceed. The gift funds would only be used for this affordable housing use.

The Towne Building has been part of the sewer district since its demolition was blocked by Town Meetings in 2001 and 2002, well before the final betterments were issued. Because it is a Town-owned building, it cannot be assigned a betterment but rather a sewer fee. The wastewater flow for the Towne Building was considered within the original 250,000 gallon per day collection system. The original capacity assumption used was for 20 units, the current proposal is for 17 units.

Lauren and I recently met with the selected developer Steve Joncas of Common Ground Development Corporation, his financial consultants, eight long time Acton residents who are very supportive of the project, and three Historic District Commission members. At this meeting, Steve gave an overview of the proposed design and timetable for getting final approvals and funding from state and federal sources. He will be applying for the February 2008 state funding round but those projects that are ready to proceed have the best chance of early funding, the more likely successful funding round will be September 2008. Construction would be slated to begin in early 2009. There is a very dedicated group of Old High School alumni who are following this development closely. The historic preservationists in the town are also very

supportive of his plans and protective of the building. Common Ground Development was selected by a developer selection committee chaired by then Selectman Peter Ashton, in April 2006. The 50 year lease between the Selectmen and Common Ground Development was signed in 2007. A commitment from the Town to pay the sewer fee sends a strong message of local support for the project to the funding agencies. These are not local or state tax revenues but funds from a developer who expected to fund two units. In the interest of getting the biggest bang for the buck, 17 units could be subsidized for just a portion of the gift, \$150,000.

We are very pleased to have this project finally be on the move, it has been a long 7 years. We appreciate your past support of the project and hope you will approve this request for a commitment to transfer \$150,000 from the gift fund to the Town as the Town's local share.

If you have any questions, please contact me.